

17711

RECORDED & INDEXED

SULLIVAN & WORCESTER
1025 CONNECTICUT AVENUE, N.W.
WASHINGTON, D. C. 20036
(202) 775-8190
TELECOPIER NO. 202-293-2275

FEB 24 1992 -11 25 AM

INTERSTATE COMMERCE COMMISSION
IN NEW YORK CITY

767 THIRD AVENUE
NEW YORK, NEW YORK 10017
(212) 486-8200
TELECOPIER NO. 212-758-2151

IN BOSTON, MASSACHUSETTS
ONE POST OFFICE SQUARE
BOSTON, MASSACHUSETTS 02109
(617) 338-2800
TELECOPIER NO. 617-338-2880
TWX: 710-321-1976

2-055A033

February 24, 1992

BY MESSENGER

Interstate Commerce Commission
Room 2303
12th Street & Constitution Avenue, N.W.
Washington, D.C. 20423

Attention: Ms. Mildred Lee

Dear Ms. Lee:

Enclosed for recording with the Commission pursuant to Section 11303 of Title 49 of the U.S. Code are two original fully executed, notarized documents described below:

This document is a Security Agreement, a primary document dated as of February 21, 1992, among Pinsly Railroad Company, Inc., a Delaware corporation ("Pinsly"), Florida Central Railroad Company, Inc., a Florida corporation ("Florida Central"), Florida Midland Railroad Company, Inc., a Florida corporation ("Florida Midland"), Florida Northern Railroad Company, Inc., a Florida corporation ("Florida Northern"), Pioneer Valley Railroad Company, Inc., a Nevada corporation ("Pioneer Valley"), Arkansas Midland Railroad Company, Inc., a Delaware corporation (Arkansas Midland"), Railroad Distribution Services, Inc., a Massachusetts corporation ("Distribution Services"), Greenville & Northern Railway Company, a South Carolina corporation ("Greenville") (Pinsly, Florida Central, Florida Midland, Florida Northern, Pioneer Valley, Arkansas Midland, Distribution Services, and Greenville are referred to collectively herein as the "Debtors"), and The First National Bank of Boston (the "Secured Party"), covering the Debtors' rolling stock now owned or hereafter acquired and all other properties and rights of the Debtors. Descriptions of the rolling stock are attached to the Security Agreement as Schedule 2, as the same may be revised from time to time, but the property covered by the Security Agreement is not limited to that listed in Schedule 2.

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MOTOR OPERATING UNIT

Quarterly Part. David M. Schwartz

The names and addresses of the parties to the Security Agreement are as follows: the Debtors are: Pinsly Railroad Company, Inc., Florida Central Railroad Company, Inc., Florida Midland Railroad Company, Inc., Florida Northern Railroad Company, Inc., Pioneer Valley Railroad Company, Inc., Arkansas Midland Railroad Company, Inc., Railroad Distribution Services, Inc., and Greenville & Northern Railway Company. Each of the Debtors has its chief executive office at 53 Southampton Road, Westfield, Massachusetts 01085. The Secured Party is The First National Bank of Boston, as collateral agent, whose head office is located at 100 Federal Street, Boston, Massachusetts 02110.

Included in the property covered by the aforesaid Security Agreement are railroad cars, locomotives and other rolling stock intended for use related to interstate commerce, or interests therein, owned and leased by the Debtors at the date of said Security Agreement or thereafter acquired by it or its successors as owners of the lines of railways covered by the Security Agreement.

A short summary of the document to appear in the Commission's Recordation Register is as follows:

"A Security Agreement, dated as of February 21, 1992, among (i) Pinsly Railroad Company, Inc., a Delaware corporation, Florida Central Railroad Company, Inc., a Florida corporation, Florida Midland Railroad Company, Inc., a Florida corporation, Florida Northern Railroad Company, Inc., a Florida corporation, Pioneer Valley Railroad Company, Inc., a Nevada corporation, Arkansas Midland Railroad Company, Inc., a Delaware corporation, Railroad Distribution Services, Inc., a Massachusetts corporation, Greenville & Northern Railway Company, a South Carolina corporation, as the debtors, and (ii) The First National Bank of Boston, as the secured party, covering the debtors' rolling stock and all other properties and rights of the debtors. Descriptions of the rolling stock are attached to the Security Agreement in Schedule 2."


Of the debtor parties listed, Railroad Distribution Services, Inc., owns no railroad equipment. All of the other debtor parties, except Pinsly Railroad Company, Inc., are operating railroads and cross-references to any recordations made should be entered under their names in the Commission's Recordation Register. Pinsly Railroad Company, Inc. lists a private rail business car in Schedule 2 as distinct from locomotive or other rolling stock; this, too, should be cross-referenced. In the case of the Greenville & Northern Railway Company, the cross-reference should be under Recordation Number 15538-C.

Also enclosed is a check in the amount of \$16.00, payable to the Interstate Commerce Commission, to cover the recording fee prescribed by the Commission in its rules and regulations.

Please acknowledge receipt of the enclosed documents at your earliest convenience by stamping and returning to the undersigned the enclosed copy of this letter together with the ten additional originals of the Security Agreement as filed.

If you have any questions with respect to the enclosed documents, please call the undersigned at (202) 775-8190.

Very truly yours,



David M. Schwartz
Attorney for Pinsky Railroad
Company, Inc., et al.

Enclosures

Interstate Commerce Commission

Washington, D.C. 20423

2/24/92

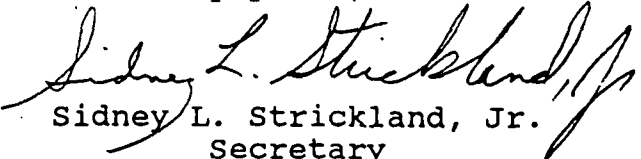
OFFICE OF THE SECRETARY

David M. Schwartz
Sullivan & Worcester
1025 Connecticut Avenue, NW
Washington, DC 20036

Dear Sirs:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 2/24/92 at 11:25AM , and assigned recordation number(s). 17711.

Sincerely yours,


Sidney L. Strickland, Jr.
Secretary

FEB 24 1992 -11 25 AM

SECURITY AGREEMENT INTERSTATE COMMERCE COMMISSION

Pinsly Railroad Company, Inc.
Florida Central Railroad Company, Inc.
Florida Midland Railroad Company, Inc.
Florida Northern Railroad Company, Inc.
Pioneer Valley Railroad Company, Inc.
Arkansas Midland Railroad Company, Inc.
Railroad Distribution Services, Inc.
Greenville & Northern Railway Company

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This SECURITY AGREEMENT dated as of February 21, 1992, is by and among PINSLY RAILROAD COMPANY, INC., a Delaware corporation ("Pinsly"), FLORIDA CENTRAL RAILROAD COMPANY, INC., a Florida corporation ("Florida Central"), FLORIDA MIDLAND RAILROAD COMPANY, INC., a Florida corporation ("Florida Midland"), FLORIDA NORTHERN RAILROAD COMPANY, INC., a Florida corporation ("Florida Northern"), PIONEER VALLEY RAILROAD COMPANY, INC., a Nevada corporation ("Pioneer Valley"), ARKANSAS MIDLAND RAILROAD COMPANY, INC., a Delaware corporation ("Arkansas Midland"), RAILROAD DISTRIBUTION SERVICES, INC., a Massachusetts corporation ("Distribution Services"), GREENVILLE & NORTHERN RAILWAY COMPANY, a South Carolina corporation ("Greenville") (each of Pinsly, Florida Central, Florida Midland, Florida Northern, Pioneer Valley, Arkansas Midland, Distribution Services and Greenville being referred to herein individually as a "Company" and collectively as the "Companies"), and THE FIRST NATIONAL BANK OF BOSTON (the "Bank") as parties to that certain Term Loan Agreement, dated as of February 21, 1992, among the Companies and the Bank, as the same may be amended, restated, modified or supplemented from time to time (such agreement, as in effect from time to time, the "Loan Agreement"). Capitalized terms which are used herein without definition and which are defined in the Loan Agreement shall have the same meanings herein as in the Loan Agreement.

§1. GRANT OF SECURITY INTEREST. To secure the due and prompt payment and performance by each of the Companies of the Obligations (as defined below), the Companies hereby jointly and severally pledge, assign and grant to the Bank a continuing security interest in and lien on all properties, assets and rights of the Companies of every kind and nature, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof, including, without limitation, all goods, accounts, including all accounts receivable, contract rights, all rights of each

Company under the Acquisition Documents, all rights of each Company under any agreements with operating railroads pursuant to which rights of passage over tracks are granted during periods of emergency and disasters, rights to the payment of money including tax refund claims, insurance proceeds and tort claims, chattel paper, documents, instruments, general intangibles, each Company's operating certificate from the Interstate Commerce Commission, securities, together with all income therefrom, increases thereunder and proceeds thereof, patents, trademarks, tradenames, copyrights, engineering drawings, service marks, customer lists, books and records, furniture, fixtures, motor vehicles of every kind and description including, without limitation, motor vehicles described on Schedule 1 attached hereto, and all related equipment, parts and accessories with respect thereto (including, without limitation, tires and parts, whether now owned or hereafter acquired), and all substitutions and replacements, rolling stock of every kind and description, including, without limitation, the rolling stock described on Schedule 2 attached hereto, locomotives, rail, ties and capital improvements thereon, equipment, maintenance of way equipment, including, without limitation, the maintenance of way equipment described on Schedule 3 attached hereto, inventory and all other capital assets, raw materials, work in progress, and real property of Arkansas Midland and interests in and rights in, on or over real property, including railbeds, yards and maintenance areas (all such properties, assets and rights hereinafter sometimes called, collectively, the "Collateral").

§2. OBLIGATIONS SECURED. The Collateral hereunder constitutes and will constitute continuing security for (i) all of the indebtedness, obligations and liabilities of the Companies to the Bank and any institutional lender who becomes a participant in or holder of any of the obligations under the Loan Agreement, the Note and the other Loan Documents, in each case as such instrument is originally executed on the date hereof or as modified, amended, restated, supplemented or extended hereafter, whether such obligations are now existing or hereafter arising, joint or several, direct or indirect, absolute or contingent, due or to become due, matured or unmatured, liquidated or unliquidated, arising by contract, operation of law or otherwise, and all obligations of the Companies to the Bank arising out of any extension, refinancing or refunding of any of the foregoing obligations (collectively, the "Obligations").

§3. PRO RATA SECURITY; APPLICATION OF PROCEEDS OF COLLATERAL. All amounts owing with respect to the Obligations shall be secured pro rata by the Collateral without distinction as to whether some Obligations are then due and payable and other Obligations are not then due and payable. Upon any realization upon the Collateral by the Bank, whether by receipt of insurance proceeds pursuant to §4(h) or upon foreclosure and sale of all or part of the Collateral pursuant to §8 or otherwise, the Companies and the Bank agree that the proceeds thereof shall be applied (i) first, to the payment of expenses incurred with respect to maintenance and protection of the Collateral pursuant to §4 and of expenses incurred pursuant to §12 with respect to the sale of or realization upon any of the Collateral or the perfection, enforcement or protection of the rights of the Bank (including reasonable attorneys' fees and expenses of every kind, including, without limitation, reasonable allocated costs of staff counsel), (ii) second, to all amounts of interest, expenses and fees outstanding which constitute the Obligations; (iii) third, to all amounts of principal outstanding under the Obligations; (iv) fourth, any proceeds remaining after the repayment of all of the Obligations to be paid over to the Companies or such other person or persons as may be entitled thereto. The Companies shall remain jointly and severally liable for any deficiency remaining unpaid after the application of proceeds in accordance with the foregoing provisions. The Companies agree that all amounts received with respect to any of the Obligations, whether by realization on the Collateral or otherwise, shall be applied to the payment of the Obligations in accordance with the provisions of this §3.

§4. REPRESENTATIONS AND COVENANTS OF THE COMPANIES.

(a) Real Property. Each Company represents to the Bank that the real property listed underneath such Company's name on Schedule 4 hereto constitutes all of the real property which such Company owns or leases. Each Company agrees to notify the Bank of any other real property which such Company may hereafter acquire or lease. Arkansas Midland agrees that it will execute and deliver to the Bank mortgages and other instruments, as referred to in paragraph (j) below of this §4, and file the same in the appropriate recording offices with respect to the real property listed underneath its name on Schedule 4 hereto and at such times as any mortgageable right, title or interest is acquired in the future by such Company in any other real property. All such mortgages and other instruments shall secure all of the Obligations pro rata and shall be on terms and conditions satisfactory to the Bank as evidenced by its written consent thereto.

(b) Rolling Stock. Each Company represents to the Bank that the Rolling Stock (as defined in this §4(b)) listed underneath such Company's name on Schedule 2 hereto constitutes all of the Rolling Stock which such Company owns or leases. Each Company agrees not to change any markings or serial numbers on any of the owned Rolling Stock listed on Schedule 2 until after such Company has given notice in writing to the Bank of its intention to make such change. Each Company agrees to notify the Bank of any other Rolling Stock which such Company may hereafter acquire or lease. Each Company agrees that it will execute and deliver to the Bank supplemental security agreements and other instruments, as referred to in paragraph (j) below of this §4, and file the same in the appropriate recording offices (i) with respect to the Rolling Stock listed underneath such Company's name on Schedule 2 hereto, (ii) at such times as any assignable right, title or interest is acquired in the future by such Company in any other Rolling Stock and (iii) at such times as any change is made in one or more of the markings or serial numbers on any of the Rolling Stock listed underneath such Company's name on Schedule 2 hereto or on any other Rolling Stock owned or leased by such Company. All such supplemental security agreements and other instruments shall secure all of the Obligations pro rata and shall be on terms and conditions satisfactory to the Bank as evidenced by its written consent thereto. The term "Rolling Stock" as used herein means all rolling stock of every kind and description, locomotives and all other rail cars.

(c) Motor Vehicles. Each Company represents and warrants to the Bank and covenants with the Bank that except as permitted by §4(e) hereof, (i) Collateral for which motor vehicle or any other certificate of title is required is listed underneath such Company's name on Schedule 1 attached hereto, and such Collateral is titled in the jurisdictions located in the United States of America set forth opposite such portion of the Collateral listed on Schedule 1 hereto and will remain titled in such jurisdictions, and (ii) Collateral for which no certificate of title is required, but for which registration under motor vehicle laws is required, is registered in the jurisdictions located in the United States of America listed underneath such Company's name on Schedule 1 and will remain registered in such jurisdictions. Each Company further represents and warrants to the Bank that all certificates of title and related applications for title for the Collateral listed underneath such Company's name on Schedule 1 have been, or will be within fourteen (14) days after the Closing Date, endorsed

to reflect the security interest granted hereunder to the Bank, and that the original certificates of title and fully executed related applications for certificates of title have been delivered to the Bank.

(d) Patents, Trademarks, Copyrights. Each Company represents to the Bank that as of the date hereof, except as set forth underneath such Company's name on Schedule 5 hereto, it has no right, title or interest in any patent, trademark registrations, copyright registrations or service mark registrations, or in any pending applications for the same and agrees promptly to furnish to the Bank written notice of each such patent, trademark, copyright or service mark registrations, or any applications for same, in which it may hereafter acquire any right, title or interest. Each Company shall, on request by the Bank, execute, acknowledge and deliver all such documents and instruments as the Bank may reasonably require to confirm the Bank's security interest in and to any such patent, trademark or service mark registrations, or application for the same as part of such Collateral hereunder and appoints the Bank as such Company's attorney-in-fact to execute and file the same.

(e) Location of Chief Executive Offices; Tax Identification Numbers. Each of the Companies represents that the location of its chief executive office and the location where its books and records are kept is 53 Southampton Road, Westfield, Massachusetts 01085. Pinsly represents to the Bank that the federal tax identification number of Pinsly is 04-2507678. Florida Central represents to the Bank that the federal tax identification number of Florida Central is 58-1706789. Florida Midland represents to the Bank that the federal tax identification number of Florida Midland is 58-1758851. Florida Northern represents to the Bank that the federal tax identification number of Florida Northern is 04-3026852. Pioneer Valley represents to the Bank that the federal tax identification number of Pioneer Valley is 04-2761674. Arkansas Midland represents to the Bank that the federal tax identification number of Arkansas Midland is 71-0712261. Distribution Services represents to the Bank that the federal tax identification number of Distribution Services is 04-2869472. Greenville represents to the Bank that the federal tax identification number of Greenville is 57-6000564. Each Company further represents that Schedule 6 hereto is a true and correct list of all localities where property comprising a part of the Collateral (other than interests in real property set forth

in Schedule 4) is located. Each Company agrees that it will not change its federal tax identification number or the location of its chief executive office or the location where its books and records are kept, except as permitted by §7.12 of the Loan Agreement.

(f) Ownership of Collateral.

(i) The Companies represent that they are the owners of the Collateral free from any adverse lien, security interest or encumbrance, except as permitted by the Loan Agreement as such agreement is in effect on the date hereof.

(ii) Except for the security interests herein granted and except as permitted by the Loan Agreement, the Companies shall be the owners of the Collateral free of any Lien, the Companies shall defend the same against all claims and demands of all persons at any time claiming the same or any interest therein adverse to the Bank. Except as otherwise permitted by the Loan Agreement, the Companies shall not pledge, mortgage or create or suffer to exist a security interest in the Collateral in favor of any person other than the Bank.

(g) Sale or Disposition of Collateral. Except as permitted by the Loan Agreement, no Company will sell or offer to sell or otherwise transfer the Collateral, any portion thereof, or any interest therein except for sales of inventory in the ordinary course of business.

(h) Insurance. The Companies shall have and maintain at all times with respect to the Collateral such insurance as is required by the Loan Agreement, such insurance to be payable to the Bank and to such Company as their interests may appear. All policies of insurance shall provide for a minimum of thirty (30) days' prior written cancellation notice to the Bank. In the event of failure to provide and maintain insurance as herein provided, the Bank may, at its option, provide such insurance, and the Companies hereby promise to pay to the Bank on demand the amount of any disbursements made by the Bank for such purpose. The Companies shall furnish to the Bank certificates or other evidence satisfactory to the Bank of compliance with the foregoing insurance provisions. The Bank may act as attorney for the Companies in obtaining, adjusting, settling and cancelling such insurance and endorsing any drafts; and any amounts collected or received under any such policies shall be applied by the Bank to the Obligations in

accordance with the provisions of §3, or at the option of the Bank, the same may be released to the Companies, but such application or release shall not cure or waive any default hereunder and no amount so released shall be deemed a payment on any Obligation secured hereby.

(i) Maintenance of Collateral. Except for the Nonessential Property of the Companies, the Companies will keep the Collateral in good order and repair and will not use the same in violation of law or any policy of insurance thereon. The Bank may inspect the Collateral at any reasonable time, wherever located. Except as otherwise provided in the Loan Agreement, the Companies will pay promptly when due all taxes and assessments upon the Collateral or for its use or operation or upon this Agreement. In its discretion, the Bank may discharge taxes and other encumbrances at any time levied or placed on the Collateral which remain unpaid in violation of the Loan Agreement, make repairs thereof and pay any necessary filing fees. The Companies agree to reimburse the Bank on demand for any and all expenditures so made, and until paid, the amount thereof shall be a debt secured by the Collateral. The Bank shall have no obligation to the Companies to make any such expenditures, nor shall the making thereof relieve the Companies of any default.

(j) Creation and Perfection of Lien. The Companies represent and warrant to the Bank and covenant with the Bank that this Agreement creates a valid security interest in the Collateral as security for the payment and performance of the Obligations. Upon (i) the filing and recording of this Agreement with the Interstate Commerce Commission (the "ICC") in accordance with §11303 of Title 49 of the United States Code and the rules and regulations thereunder, (ii) the filing of UCC-1 financing statements in the form attached hereto as Exhibit A (the "Financing Statements") under the Uniform Commercial Code as the same may be in effect from time to time in the States of Arkansas, Florida, South Carolina and the Commonwealth of Massachusetts (the "UCC"), naming the appropriate Company as debtor and the Bank as secured party, and (iii) the presentation to the Department or Registry of Motor Vehicles of each jurisdiction in which the Collateral is titled, as set forth on Exhibit B attached hereto, of applications for titles with the lien of the Bank noted thereon in the form of Exhibit C attached hereto, all filings, assignments, pledges and deposits of documents or instruments will have been made and all other actions will have been taken that are necessary or advisable, under applicable law, to

establish and perfect the Bank's security interest in the Collateral including, without limitation, such perfection under the UCC and the Interstate Commerce Act of 1887, as amended (the "ICA"), and such security interest shall remain prior to all other Liens, except as contemplated by the Loan Agreement. No further filings, recordings or other actions are or will be necessary to maintain the priority of such security interest other than the filing of UCC continuation statements within six months prior to the expiration of a period of five years after the original filing. The Collateral and the Bank's rights with respect to the Collateral are not subject to any setoff, claims, withholdings or other defenses. The Companies are the owners of the Collateral free from any adverse lien, security interest or encumbrance, except as permitted by the Loan Agreement as such agreement is in effect on the date hereof.

(k) No Further Actions. Except for the filings referred to in paragraph (j) above and as otherwise specified in the Loan Agreement, no authorization, approval or other action by, and no notice of filing with, any governmental authority or regulatory body or other Person that has not been received, taken or made is required (i) for the grant by the Companies of the security interest granted hereby or for the execution, delivery or performance of this Agreement by any Company, (ii) for the perfection and maintenance of the security interest hereunder (including the first priority nature of such security interest), or (iii) for the exercise by the Bank of the rights or the remedies in respect of the Collateral pursuant to this Agreement.

(l) Accounts Receivable. The Companies shall keep or cause to be kept separate records of accounts which are complete and accurate in all material respects, and from time to time upon the request of the Bank, shall deliver to the Bank a list of the names, addresses, face value, and dates of invoices for each debtor obligated on such an account receivable.

(m) Government Contracts. Each Company agrees that it shall execute all such documents, and take all such actions, as the Bank shall determine to be necessary or appropriate from time to time under the federal Assignment of Claims Act of 1940, as amended, in order to confirm and assure to the Bank its rights under this Agreement with respect to any and all Collateral consisting of such Company's rights to monies due or to become due under any contracts or agreements with or orders from the United States government or any agency or department thereof, the assignment of which is not

prohibited by such contract or agreement (collectively, "Government Receivables"). Without limiting the generality of the foregoing, each Company agrees that simultaneously with the execution and delivery of this Agreement it shall execute and deliver to the Bank a confirmatory assignment substantially in the form of Exhibit D attached hereto (a "Confirmatory Assignment") with respect to each Government Receivable existing on the date hereof where the aggregate proceeds payable to the Company thereunder exceed \$100,000, and within ten Bank Business Days after the creation of any such new Government Receivable, such Company shall execute and deliver to the Bank a Confirmatory Assignment with respect thereto. Each Company hereby irrevocably authorizes the Bank, or its designee, at such Company's expense, to file with the United States government (or the appropriate agency or instrumentality thereof) a notice of each assignment of a Government Receivable substantially in the form of Exhibit E attached hereto (a "Notice of Assignment"), to which a copy of the relevant Confirmatory Assignment may be attached, and appoints the Bank as such Company's attorney-in-fact to execute and file any such Confirmatory Assignments, Notices of Assignment and any ancillary documents relating thereto.

(n) Securities. Each Company agrees that it shall forthwith deliver and pledge to the Bank hereunder all certificates representing securities which it shall acquire, whether by purchase, stock dividend, distribution of capital or otherwise, along with stock powers or other appropriate instruments of assignment with respect thereto, duly executed in blank.

(o) Further Assurances By the Company. Each Company agrees to execute and deliver to the Bank from time to time at its request all documents and instruments, including financing statements, supplemental security agreements, notices of assignments under the United States Assignment of Claims Act and under similar or local statutes and regulations, and to take all action as the Bank may reasonably deem necessary or proper to perfect or otherwise protect the security interest and lien created hereby.

§5. POWER OF ATTORNEY. (a) Each Company acknowledges the Bank's right, to the extent permitted by applicable law, singly to execute and file financing or continuation statements and similar notices required by applicable law, and amendments thereto, concerning the Collateral without execution by any Company. A carbon, photographic or other reproduction of this Agreement or any financing statement covering the Collateral or any part thereof shall be sufficient as a financing statement where permitted by law.

(b) The Companies hereby irrevocably appoint the Bank as each Company's attorney-in-fact, effective at all times subsequent to the occurrence of an Event of Default (as defined herein), and during the continuance thereof, with full authority in the place and stead of such Company and in the name of such Company or otherwise, to take any action and to execute any instrument which the Bank may deem necessary or advisable to accomplish the purpose of this Agreement, including, without limitation, the power and right (i) to endorse any Company's name on any checks, notes, acceptances, money orders, drafts, filings or other forms of payment or security that may come into the Bank's possession, and (ii) to do all other things which the Bank then determines to be necessary to carry out the terms of this Agreement. The Companies ratify and approve all acts of such attorney-in-fact. The power conferred on the Bank hereunder is solely to protect the Bank's interests in the Collateral and shall not impose any duty upon the Bank to exercise such power.

§6. SECURITIES AS COLLATERAL. (a) Upon the occurrence and during the continuance of an Event of Default, the Bank may at any time, at its option, transfer to itself or any nominee any securities constituting Collateral, receive any income thereon and hold such income as additional Collateral or apply it to the Obligations. Subject to the terms and provisions of the Pledge Agreement, if the Bank so elects to exercise its right herein and gives notice of such election to the Companies, upon the occurrence and during the continuance of an Event of Default to the extent permitted under applicable law, the Bank may vote any or all of the securities constituting Collateral possessing voting rights (whether or not the same shall have been transferred into its name or the name of its nominee or nominees) and give all consents, waivers and ratifications in respect of the securities constituting Collateral and otherwise act with respect thereto as though it were the outright owner thereof, each Company hereby irrevocably constituting and appointing the Bank the proxy and attorney-in-fact of such Company, with full power of substitution, to do so. Subject to the terms and provisions of the Pledge Agreement, so long as no Event of Default is continuing, each Company shall be entitled to receive all cash dividends paid in respect of the securities of which such Company is the registered owner, to vote such securities and to give consents, waivers and ratifications in respect of such securities, provided that no vote shall be cast, or consent, waiver or ratification given or action taken which would be inconsistent with or violate any provisions of any of the Loan Documents or this Agreement.

(b) Any sums paid upon or with respect to any of the securities upon the liquidation or dissolution of the issuer thereof shall be paid over to the Bank to be held by it as security for the Obligations; and in case any distribution of capital shall be made on or in respect of any of the securities or any property shall be distributed upon or with respect to any of the securities pursuant to the recapitalization or reclassification of the capital of the issuer thereof or pursuant to the reorganization thereof, the property so distributed shall be delivered to the Bank to be held by it as security for the Obligations. All sums of money and property paid or distributed in respect of the securities upon such a liquidation, dissolution, recapitalization or reclassification which are received by any Company shall, until paid or delivered to the Bank, be held in trust for the Bank as security for the Obligations.

§7. ACCOUNTS RECEIVABLE. Upon the occurrence and during the continuance of an Event of Default, until the Bank requests that debtors on accounts receivable of a Company or obligors on accounts, chattel paper or general intangibles of a Company or obligors on instruments for which a Company is an obligee or lessees or conditional vendees under agreements governing the leasing or selling by conditional sale of Collateral by a Company be notified of the Bank's security interest, such Company shall continue to collect payment thereof. Upon the making of such a request by the Bank, such Company shall hold the proceeds received from collection as trustee for the Bank and shall turn the same over to the Bank, or to such other bank as may be approved by the Bank, immediately upon receipt in the identical form received. Each Company shall, at the request of the Bank, notify such account debtors and obligors that payment thereof is to be made directly to the Bank, and the Bank may itself at any time, without notice to or demand upon such Company, so notify such account debtors and obligors. The making of such a request or the giving of any such notification shall not affect the duties of each Company described above with respect to proceeds of collection of accounts receivable received by such Company. The Bank shall apply the proceeds of such collection received by the Bank to the Obligations in accordance with §3 of this Agreement. The application of the proceeds of such collection shall be conditional upon final payment in cash or solvent credits of the items giving rise to them. If any item is not so paid, the Bank in its discretion, whether or not the item is returned, may either reverse any credit given for the item or charge it to any deposit account maintained by such Company with the Bank.

§8. EVENTS OF DEFAULT; REMEDIES. (a) Upon the occurrence of an Event of Default, whether or not the Obligations are due, the Bank may demand, sue for, collect, or make any settlement or compromise it deems desirable with respect to the Collateral.

(b) An "Event of Default" hereunder shall mean (i) that a representation, warranty or certification made in this Agreement or in any document executed or delivered from time to time relating to this Agreement is materially untrue, misleading or incomplete in its recital of any facts at the time as of which such representation, warranty or certification, as the case may be, is made or (ii) any Event of Default as that term is defined in any of the Loan Documents, whether or not any acceleration of the maturity of the amounts due in respect of any of the Obligations shall have occurred.

(c) Upon the occurrence and during the continuance of an Event of Default, to the fullest extent permitted by applicable law, in addition to the remedies set forth elsewhere in this Agreement:

(i) The Bank shall have, in addition to all other rights and remedies given it by any instrument or other agreement evidencing, or executed and delivered in connection with, any of the Obligations and otherwise allowed by law, the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Collateral may be located and the rights and remedies of a secured party holding a security interest in collateral pursuant to the ICA, and without limiting the generality of the foregoing, the Bank may immediately, without (to the fullest extent permitted by law) demand of performance or advertisement or notice of intention to sell or of time or place of sale or of redemption or other notice or demand whatsoever, (except that the Bank shall give to the Companies at least ten days' notice of the time and place of any proposed sale or other disposition), all of which are hereby expressly waived to the fullest extent permitted by law, sell at public or private sale or otherwise realize upon, in the City of Boston, Massachusetts, or elsewhere, the whole or from time to time any part of the Collateral in or upon which the Bank shall have a security interest or lien hereunder, or any interest which the Companies may have therein, and after deducting from the proceeds of sale or other

disposition of the Collateral all expenses (including all reasonable expenses for legal services, including, without limitation, reasonable allocated costs of staff counsel) as provided in §12, shall apply the residue of such proceeds toward the payment of the Obligations in accordance with §3 of this Security Agreement, the Companies remaining liable for any deficiency remaining unpaid after such application. If notice of any sale or other disposition is required by law to be given to the Companies, each of the Companies and the Bank hereby agrees that a notice given as hereinbefore provided shall be reasonable notice of such sale or other disposition. The Companies also agree to assemble the Collateral at such place or places as the Bank reasonably designates by written notice. At any such sale or other disposition the Bank may itself, and any other person or entity owed any Obligation may itself, purchase the whole or any part of the Collateral sold, free from any right of redemption on the part of the Companies, which right is hereby waived and released to the fullest extent permitted by law.

(ii) Furthermore, without limiting the generality of any of the rights and remedies conferred upon the Bank under §8(c)(i) hereof, the Bank to the fullest extent permitted by law, may enter upon the premises of the Companies or any Company, exclude the Companies or such Company therefrom and take immediate possession of the Collateral, either personally or by means of a receiver appointed by a court therefor, using all necessary force to do so, and may, at its option, use, operate, manage and control the Collateral in any lawful manner and may collect and receive all rents, income, revenue, earnings, issues and profits therefrom, and may maintain, repair, renovate, alter or remove the Collateral as the Bank may determine in its discretion, and any such monies so collected or received by the Bank shall be applied to, or may be accumulated for application upon, the Obligations in accordance with §3 of this Agreement.

(iii) The Bank agrees that it will give notice to the Companies of any enforcement action taken by it pursuant to this §8 promptly after commencing such action.

(iv) Each Company recognizes that the Bank may be unable to effect a public sale of the securities by reason of certain prohibitions contained in the Securities Act of 1933, as amended, and may be compelled to resort to one or more private sales thereof to a restricted group of purchasers consistent with all applicable laws. Each Company agrees that any such private sales may be at prices and other terms less favorable to such Company than if sold at public sales and that such private sales shall not by reason thereof be deemed not to have been made in a commercially reasonable manner. The Bank shall be under no obligation to delay a sale of any of the securities for the period of time necessary to permit the issuer of such securities to register such securities for public sale under the Securities Act of 1933, as amended, even if the issuer would agree to do so.

§9. MARSHALLING. The Bank shall not be required to marshal any present or future security for (including but not limited to this Agreement and the Collateral subject to the security interest created hereby), or guaranties of, the Obligations or any of them, or to resort to such security or guaranties in any particular order; and all of its rights hereunder and in respect of such securities and guaranties shall be cumulative and in addition to all other rights, however existing or arising. To the extent that they lawfully may, the Companies hereby agree that they will not invoke any law relating to the marshalling of collateral which might cause delay in or impede the enforcement of the Bank's rights under this Agreement or under any other instrument evidencing any of the Obligations or under which any of the Obligations is outstanding or by which any of the Obligations is secured or guaranteed, and to the extent that they lawfully may do so the Companies hereby irrevocably waive the benefits of all such laws. Except as otherwise provided by applicable law, the Bank shall have no duty as to the collection or protection of the Collateral or any income thereon, nor as to the preservation of rights against prior parties, nor as to the preservation of any rights pertaining thereto beyond the sole custody thereof.

§10. COMPANIES' OBLIGATIONS NOT AFFECTED. To the extent permitted by law, the obligations of the Companies under this Security Agreement shall remain in full force and effect without regard to, and shall not be impaired by (a) any bankruptcy, insolvency, reorganization, arrangement, readjustment, composition, liquidation or the like of any

Company, to the extent permitted by law; (b) any exercise or nonexercise, or any waiver, by the Bank of any right, remedy, power or privilege under or in respect of any of the Obligations or any security therefor (including this Agreement); (c) any amendment to or modification of any instrument evidencing any of the Obligations or pursuant to which any of them were issued; (d) any amendment to or modification of any instrument or agreement (other than this Agreement) securing any of the Obligations; or (e) the taking of additional security for or any guaranty of any of the Obligations or the release or discharge or termination of any security or guaranty for any of the Obligations; and whether or not the Companies shall have notice or knowledge of any of the foregoing.

§11. NO WAIVER. No failure on the part of the Bank to exercise, and no delay in exercising, any right, remedy or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by the Bank of any right, remedy or power hereunder preclude any other or future exercise of any other right, remedy or power. Each and every right, remedy and power hereby granted to the Bank or the future holders of any of the Obligations or allowed to any of them by law or other agreement, including, without limitation, each of the Loan Documents, shall be cumulative and not exclusive of any other, and, subject to the provisions of this Agreement, may be exercised by the Bank or the future holders of any of the Obligations from time to time.

§12. EXPENSES. The Companies jointly and severally agree to pay, on demand, all reasonable costs and expenses (including reasonable attorneys' fees and expenses for legal services of every kind, including, without limitation, reasonable allocated costs of staff counsel) of the Bank incidental to the sale of, or realization upon, any of the Collateral or in any way relating to the perfection, enforcement or protection of the rights of the Bank hereunder; and the Bank may at any time apply to the payment of all such costs and expenses all monies of the Companies or other proceeds arising from its possession or disposition of all or any portion of the Collateral.

§13. CONSENTS, AMENDMENTS, WAIVERS. Any term of this Agreement may be amended, and the performance or observance by the Companies of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) only in accordance with §19 of the Loan Agreement.

§14. GOVERNING LAW. Except as otherwise required by the laws of any jurisdiction in which any Collateral is located, this Agreement shall be deemed to be a contract under seal and shall for all purposes be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts.

§15. PARTIES IN INTEREST. All terms of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto, provided that no Company may assign or transfer its rights hereunder without the prior written consent of the Bank. Any assignment or transfer by any of the Companies of its rights hereunder in violation of this Agreement shall be void.

§16. COUNTERPARTS. This Agreement and any amendment hereof may be executed in several counterparts and by each party on a separate counterpart, each of which when so executed and delivered shall be an original, but all of which together shall constitute one instrument. In proving this Agreement it shall not be necessary to produce or account for more than one such counterpart signed by the party against whom enforcement is sought.

§17. TERMINATION. Upon payment in full of the Obligations in accordance with their terms, this Agreement shall terminate and the Bank shall return to the Companies, at the expense of the Companies, such Collateral in the possession or control of the Bank as has not theretofore been disposed of pursuant to the provisions hereof and shall deliver to the Companies documents in recordable form sufficient to discharge the liens and security interests granted hereunder.

§18. NOTICES. Except as otherwise expressly provided herein, all notices and other communications made or required to be given pursuant to this Agreement shall be made in accordance with the provisions of §16 of the Loan Agreement.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed as an instrument under

seal by their authorized representatives as of the date first written above.

[Corporate Seal]

PINSLY RAILROAD COMPANY, INC.

By: J. P. Currie
Title: V.P.

[Corporate Seal]

FLORIDA CENTRAL RAILROAD COMPANY,
INC.

By: J. P. Currie
Title: V.P.

[Corporate Seal]

FLORIDA MIDLAND RAILROAD COMPANY,
INC.

By: J. P. Currie
Title: V.P.

[Corporate Seal]

FLORIDA NORTHERN RAILROAD COMPANY,
INC.

By: J. P. Currie
Title: V.P.

[Corporate Seal]

PIONEER VALLEY RAILROAD COMPANY,
INC.

By: J. P. Currie
Title: V.P.

[Corporate Seal]

ARKANSAS MIDLAND RAILROAD COMPANY,
INC.

By: J. P. Currie
Title: J.P.

[Corporate Seal]

RAILROAD DISTRIBUTION SERVICES, INC.

By: J. P. Currie
Title: _____

[Corporate Seal]

GREENVILLE & NORTHERN RAILWAY
COMPANY

By: J. P. Currie
Title: _____

THE FIRST NATIONAL BANK OF BOSTON

By: Michael T. Kelly
Title: _____

Pamela A. [Signature]
Notary Public
My commission expires: 7/31/92

On this 20th day of February, 1992 before me personally appeared John P. Levine, to me personally known, who, being by me duly sworn, says that he is the Vice President of Florida Central Railroad Company, Inc., that the seal affixed to the foregoing instrument beside his signature is the corporate seal of said corporation and that the said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said corporation.

Samela R. Shy
Notary Public
My commission expires: 7/31/92

Pamela A. Fitzgerald
Notary Public
My commission expires: 7/31/92

On this 20th day of February, 1992 before me personally appeared John P. Levine, to me personally known, who, being by me duly sworn, says that he is the Vice President of Florida Northern Railroad Company, Inc., that the seal affixed to the foregoing instrument beside his signature is the corporate seal of said corporation and that the said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said corporation.

Pamela A. O'Rourke
Notary Public
My commission expires: 7/31/92

Commonwealth of Massachusetts) ss.
County of Suffolk)

On this 20th day of February, 1992 before me personally appeared John P. Levine, to me personally known, who, being by me duly sworn, says that he is the Vice President of Pioneer Valley Railroad Company, Inc., that the seal affixed to the foregoing instrument beside his signature is the corporate seal of said corporation and that the said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said corporation.

Pamela A. [Signature]
Notary Public
My commission expires: 7/31/92

Commonwealth of Massachusetts) ss.
County of Suffolk)

On this 20th day of February, 1992 before me personally appeared John P. Levine, to me personally known, who, being by me duly sworn, says that he is the Vice President of Arkansas Midland Railroad Company, Inc., that the seal affixed to the foregoing instrument beside his signature is the corporate seal of said corporation and that the said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said corporation.

Samela A. Briggs
Notary Public
My commission expires: 7/31/92

Commonwealth of Massachusetts) ss.
County of Suffolk)

On this 20th day of February, 1992 before me personally appeared John P. Levine, to me personally known, who, being by me duly sworn, says that he is the Vice President of Railroad Distribution Services, Inc., that the seal affixed to the foregoing instrument beside his signature is the corporate seal of said corporation and that the said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said corporation.

Pamela A. St. John
Notary Public
My commission expires: 7/31/92

Commonwealth of Massachusetts) ss.
County of Suffolk)

On this 20th day of February, 1992 before me personally appeared John P. Levine, to me personally known, who, being by me duly sworn, says that he is the Vice President of Greenville & Northern Railway Company, that the seal affixed to the foregoing instrument beside his signature is the corporate seal of said corporation and that the said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said corporation.

Pamela A. Hertz
Notary Public
My commission expires: 7/31/92

Commonwealth of Massachusetts)
County of Suffolk) ss.
)

On this ^{21st} ~~20th~~ day of February, 1992, before me personally appeared MICHAEL T. YAHNG, to me personally known, who, being by me duly sworn, says that he is the DIVISION EXECUTIVE of The First National Bank of Boston, and that he is duly authorized to sign the foregoing instrument on behalf of said banking association, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said banking association.



Notary Public

My commission expires: **AMY FISHER, Notary Public**
My Commission Expires June 14, 1996.

IMPORTANT — Read instructions on back before filling out form

This FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.

4. ☐ Filed for record in the real estate records.5. ☐ Debtor is a Transmitting Utility.6. No. of Additional Sheets Presented: 1

1. Debtor(s) (Last Name First) and address(es)

2. Secured Party(ies) and address(es)

3. For Filing Officer (Date, Time, Number, and Filing Office)

Pinsly Railroad Company, Inc.
53 Southampton Road
Westfield, MA 01085The First National Bank of
Boston
100 Federal Street
Boston, MA 02110

7. This financing statement covers the following types (or items) of property:

See Exhibit A attached hereto and made a part hereof.

Florida Documentary Stamp Tax is not required.

Filed with: FL SOS

☒ Proceeds and
Products of Collateral are also covered.Whichever is
Applicable
(See Instruction
Number 9)

Pinsly Railroad Company, Inc.

The First National Bank of Boston

By: Mr. S. Iver, Pres.
Signature(s) of Debtor (Or Assignor) TitleBy: James F. Higgins, J. AvP
Signature(s) of Secured Party (Or Assignee) TitleFILING OFFICER COPY-ALPHABETICAL
STANDARD FORM - UNIFORM COMMERCIAL CODE - FORM UCC-1

Rev. Jan. 1980

Exhibit A
Form of Financing
Statement

Wallace Computer Services, Inc.

Uniform Commercial Code — FINANCING STATEMENT — Form UCC—1

IMPORTANT — Read instructions on back before filling out form

This FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.

4. ☐ Filed for record in the real estate records.

5. ☐ Debtor is a Transmitting Utility.

6. No. of Additional Sheets Presented: 1

1. Debtor(s) (Last Name First) and address(es)

Pinsly Railroad Company, Inc.
53 Southampton Road
Westfield, MA 01085

2. Secured Party(ies) and address(es)

The First National Bank of
Boston
100 Federal Street
Boston, MA 02110

3. For Filing Officer (Date, Time, Number, and Filing Office)

7. This financing statement covers the following types (or items) of property:

See Exhibit A attached hereto and made a part hereof.

Filed with: SC SOS

☒ Proceeds and
Products of Collateral are also covered.

Whichever is
Applicable
(See Instruction
Number 9)

Pinsly Railroad Company, Inc.

By: W. Silver. Pres.

Signature(s) of Debtor (Or Assignor) Title

The First National Bank of Boston

By: James F. Heggen AVP

Signature(s) of Secured Party (Or Assignee) Title

FILING OFFICER COPY-ALPHABETICAL
STANDARD FORM - UNIFORM COMMERCIAL CODE - FORM UCC-1

Rev. Jan. 1980

**IMPORTANT — Read instructions on back before filling out form**

This FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.

4. <input type="checkbox"/> Filed for record in the real estate records.	5. <input type="checkbox"/> Debtor is a Transmitting Utility.	6. No. of Additional Sheets Presented: <u>1</u>
1. Debtor(s) (Last Name First) and address(es) Pinsly Railroad Company, Inc. 53 Southampton Road Westfield, MA 01085	2. Secured Party(ies) and address(es) The First National Bank of Boston 100 Federal Street Boston, MA 02110	3. For Filing Officer (Date, Time, Number, and Filing Office)
7. This financing statement covers the following types (or items) of property:		

See Exhibit A attached hereto and made a part hereof.

Filed with: MA SOS

☒ Proceeds and
Products of Collateral are also covered.

Whichever is Applicable (See Instruction Number 9)	Pinsly Railroad Company, Inc.	The First National Bank of Boston
	By: <u>[Signature]</u> Signature(s) of Debtor (Or Assignor) Title	By: <u>[Signature]</u> Signature(s) of Secured Party (Or Assignee) Title

FILING OFFICER COPY-ALPHABETICAL
STANDARD FORM - UNIFORM COMMERCIAL CODE - FORM UCC-1

Rev. Jan. 1980

Uniform Commercial Code — FINANCING STATEMENT — Form UCC—1

IMPORTANT — Read Instructions on back before filling out form

This FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.

4. <input type="checkbox"/> Filed for record in the real estate records.	5. <input type="checkbox"/> Debtor is a Transmitting Utility.	6. No. of Additional Sheets Presented: 1
1. Debtor(s) (Last Name First) and address(es) Pinsly Railroad Company, Inc. 53 Southampton Road Westfield, MA 01085	2. Secured Party(ies) and address(es) The First National Bank of Boston 100 Federal Street Boston, MA 02110	3. For Filing Officer (Date, Time, Number, and Filing Office)

7. This financing statement covers the following types (or items) of property:

See Exhibit A attached hereto and made a part hereof.

Filed with: MA, Town of Westfield

☒ Proceeds and
Products of Collateral are also covered.

Whichever is Applicable (See Instruction Number 9)	Pinsly Railroad Company, Inc.	The First National Bank of Boston
	By: <u>W. Silver, Pres.</u> Signature(s) of Debtor (Or Assignor) Title	By: <u>James P. Higgins, Jr. AVP</u> Signature(s) of Secured Party (Or Assignee) Title

FILING OFFICER COPY-ALPHABETICAL
STANDARD FORM - UNIFORM COMMERCIAL CODE - FORM UCC-1

Rev. Jan. 1980

IMPORTANT — Read instructions on back before filling out form

This FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.

4. <input type="checkbox"/> Filed for record in the real estate records.	5. <input type="checkbox"/> Debtor is a Transmitting Utility.	6. No. of Additional Sheets Presented: <u>1</u>
1. Debtor(s) (Last Name First) and address(es) Pinsly Railroad Company, Inc. 53 Southampton Road Westfield, MA 01085	2. Secured Party(ies) and address(es) The First National Bank of Boston 100 Federal Street Boston, MA 02110	3. For Filing Officer (Date, Time, Number, and Filing Office)
7. This financing statement covers the following types (or items) of property:		

See Exhibit A attached hereto and made a part hereof.

Filed with: Arkansas SOS

☒ Proceeds and
☐ Products of Collateral are also covered.

Whichever is Applicable (See Instruction Number 9)	Pinsly Railroad Company, Inc.	The First National Bank of Boston
	By: <u>[Signature]</u> Signature(s) of Debtor (Or Assignor) Title	By: <u>[Signature]</u> Signature(s) of Secured Party (Or Assignee) Title

FILING OFFICER COPY-ALPHABETICAL
 STANDARD FORM - UNIFORM COMMERCIAL CODE - FORM UCC-1

Rev. Jan. 1980

Uniform Commercial Code — FINANCING STATEMENT — Form UCC—1



IMPORTANT — Read instructions on back before filling out form

This FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.

4. <input type="checkbox"/> Filed for record in the real estate records.	5. <input type="checkbox"/> Debtor is a Transmitting Utility.	6. No. of Additional Sheets Presented: <u>1</u>
1. Debtor(s) (Last Name First) and address(es) Pinsly Railroad Company, Inc. 53 Southampton Road Westfield, MA 01085	2. Secured Party(ies) and address(es) The First National Bank of Boston 100 Federal Street Boston, MA 02110	3. For Filing Officer (Date, Time, Number, and Filing Office)

7. This financing statement covers the following types (or items) of property:

See Exhibit A attached hereto and made a part hereof.

Filed with: Arkansas, Hot Spring County

☒ Proceeds and
Products of Collateral are also covered.

Whichever is Applicable (See Instruction Number 9)	Pinsly Railroad Company, Inc.	The First National Bank of Boston
	By: <u>[Signature]</u> Signature(s) of Debtor (Or Assignor)	By: <u>[Signature]</u> Signature(s) of Secured Party (Or Assignee)
	Title	Title

FILING OFFICER COPY-ALPHARETICAL
STANDARD FORM - UNIFORM COMMERCIAL CODE - FORM UCC-1

Rev. Jan. 1980

Exhibit A to Financing Statement

Debtor: Pinsly Railroad Company, Inc.

Secured

Party: The First National Bank of Boston

All properties, assets and rights of the Debtor of every kind and nature, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof, including, without limitation, all goods, accounts, including all accounts receivable, contract rights, all rights of the Debtor under the Acquisition Documents (as defined in a certain Term Loan Agreement dated as of February 21, 1992, among the Debtor, the other Borrowers named therein and the Secured Party), all rights of the Debtor under any agreements with operating railroads pursuant to which rights of passage over tracks are granted during periods of emergency and disasters, rights to the payment of money including tax refund claims, insurance proceeds and tort claims, chattel paper, documents, instruments, general intangibles, the Debtor's operating certificate from the Interstate Commerce Commission, securities, together with all income therefrom, increases thereunder and proceeds thereof, patents, trademarks, tradenames, copyrights, engineering drawings, service marks, customer lists, books and records, furniture, fixtures, motor vehicles of every kind and description, and all related equipment, parts and accessories with respect thereto (including, without limitation, tires and parts, whether now owned or hereafter acquired), and all substitutions and replacements, rolling stock of every kind and description, locomotives, rail, ties and capital improvements thereon, equipment, maintenance of way equipment, inventory and all other capital assets, raw materials, work in progress, and real property and interests in and rights in, on or over real property, including railbeds, yards and maintenance areas.

IMPORTANT — Read instructions on back before filling out form

This FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.

4. ☐ Filed for record in the real estate records.5. ☒ Debtor is a Transmilling Utility.6. No. of Additional Sheets Presented: 1

1. Debtor(s) (Last Name First) and address(es)

Florida Central Railroad
Company, Inc.
c/o Pinsky Railroad Company,
Inc.
53 Southampton Road
Westfield, MA 01085

2. Secured Party(ies) and address(es)

The First National Bank of
Boston
100 Federal Street
Boston, MA 02110

3. For Filing Officer (Date, Time, Number, and Filing Office)

7. This financing statement covers the following types (or items) of property:

See Exhibit A attached hereto and made a part hereof.

Florida Documentary Stamp Tax is not required.

Filed with: FL SOS

☒ Proceeds and
Products of Collateral are also covered.

Whichever is
Applicable
(See Instruction
Number 9)

Florida Central Railroad
Company, Inc.

By: [Signature]
Signature(s) of Debtor (Or Assignor) Title

The First National Bank of Boston

By: [Signature] ATP
Signature(s) of Secured Party (Or Assignee) Title

FILING OFFICER COPY-ALPHABETICAL
STANDARD FORM - UNIFORM COMMERCIAL CODE - FORM UCC-1

Rev. Jan. 1980

Exhibit A to Financing Statement

Debtor: Florida Central Railroad Company, Inc.

Secured

Party: The First National Bank of Boston

All properties, assets and rights of the Debtor of every kind and nature, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof, including, without limitation, all goods, accounts, including all accounts receivable, contract rights, all rights of the Debtor under the Acquisition Documents (as defined in a certain Term Loan Agreement dated as of February 21, 1992, among the Debtor, the other Borrowers named therein and the Secured Party), all rights of the Debtor under any agreements with operating railroads pursuant to which rights of passage over tracks are granted during periods of emergency and disasters, rights to the payment of money including tax refund claims, insurance proceeds and tort claims, chattel paper, documents, instruments, general intangibles, the Debtor's operating certificate from the Interstate Commerce Commission, securities, together with all income therefrom, increases thereunder and proceeds thereof, patents, trademarks, tradenames, copyrights, engineering drawings, service marks, customer lists, books and records, furniture, fixtures, motor vehicles of every kind and description, and all related equipment, parts and accessories with respect thereto (including, without limitation, tires and parts, whether now owned or hereafter acquired), and all substitutions and replacements, rolling stock of every kind and description, locomotives, rail, ties and capital improvements thereon, equipment, maintenance of way equipment, inventory and all other capital assets, raw materials, work in progress, and real property and interests in and rights in, on or over real property, including railbeds, yards and maintenance areas.

IMPORTANT — Read instructions on back before filling out form

This FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.

4. ☐ Filed for record in the real estate records.5. ☒ Debtor is a Transmitting Utility.6. No. of Additional Sheets Presented: 1

1. Debtor(s) (Last Name First) and address(es)

Florida Midland Railroad
Company, Inc.
c/o Pinsky Railroad Company,
Inc.
53 Southampton Road
Westfield, MA 01085

2. Secured Party(ies) and address(es)

The First National Bank of
Boston
100 Federal Street
Boston, MA 02110

3. For Filing Officer (Date, Time, Number, and Filing Office)

7. This financing statement covers the following types (or items) of property:

See Exhibit A attached hereto and made a part hereof.

Florida Documentary Stamp Tax is not required.

Filed with: FL SOS

☒ Proceeds and
Products of Collateral are also covered.

Whichever is
Applicable
(See Instruction
Number 9)

Florida Midland Railroad
Company, Inc.

By: TH Silver, Pres.

Signature(s) of Debtor (Or Assignor)

Title

The First National Bank of Boston

By: James F. Kapp, Jr.

Signature(s) of Secured Party (Or Assignee)

Title

FILING OFFICER COPY-ALPHABETICAL
STANDARD FORM - UNIFORM COMMERCIAL CODE - FORM UCC-1

Rev. Jan. 1980

Exhibit A to Financing Statement

Debtor: Florida Midland Railroad Company, Inc.

Secured

Party: The First National Bank of Boston

All properties, assets and rights of the Debtor of every kind and nature, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof, including, without limitation, all goods, accounts, including all accounts receivable, contract rights, all rights of the Debtor under the Acquisition Documents (as defined in a certain Term Loan Agreement dated as of February 21, 1992, among the Debtor, the other Borrowers named therein and the Secured Party), all rights of the Debtor under any agreements with operating railroads pursuant to which rights of passage over tracks are granted during periods of emergency and disasters, rights to the payment of money including tax refund claims, insurance proceeds and tort claims, chattel paper, documents, instruments, general intangibles, the Debtor's operating certificate from the Interstate Commerce Commission, securities, together with all income therefrom, increases thereunder and proceeds thereof, patents, trademarks, tradenames, copyrights, engineering drawings, service marks, customer lists, books and records, furniture, fixtures, motor vehicles of every kind and description, and all related equipment, parts and accessories with respect thereto (including, without limitation, tires and parts, whether now owned or hereafter acquired), and all substitutions and replacements, rolling stock of every kind and description, locomotives, rail, ties and capital improvements thereon, equipment, maintenance of way equipment, inventory and all other capital assets, raw materials, work in progress, and real property and interests in and rights in, on or over real property, including railbeds, yards and maintenance areas.

**IMPORTANT — Read Instructions on back before filling out form**

This FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.

4. ☐ Filed for record in the real estate records.5. ☒ Debtor is a Transmitting Utility.6. No. of Additional Sheets Presented: 1

1. Debtor(s) (Last Name First) and address(es)

Florida Northern Railroad
Company, Inc.
c/o Pinsky Railroad Company,
Inc.
53 Southampton Road
Westfield, MA 01085

2. Secured Party(ies) and address(es)

The First National Bank of
Boston
100 Federal Street
Boston, MA 02110

3. For Filing Officer (Date, Time, Number, and Filing Office)

7. This financing statement covers the following types (or items) of property:

See Exhibit A attached hereto and made a part hereof.

Florida Documentary Stamp Tax is not required.

Filed with: FL SOS

☒ Proceeds and
Products of Collateral are also covered.

Whichever is
Applicable
(See Instruction
Number 9)

Florida Northern Railroad
Company, Inc.

By:

Signature(s) of Debtor (Or Assignor)

Title

The First National Bank of Boston

By:

Signature(s) of Secured Party (Or Assignee)

Title

Exhibit A to Financing Statement

Debtor: Florida Northern Railroad Company, Inc.

Secured

Party: The First National Bank of Boston

All properties, assets and rights of the Debtor of every kind and nature, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof, including, without limitation, all goods, accounts, including all accounts receivable, contract rights, all rights of the Debtor under the Acquisition Documents (as defined in a certain Term Loan Agreement dated as of February 21, 1992, among the Debtor, the other Borrowers named therein and the Secured Party), all rights of the Debtor under any agreements with operating railroads pursuant to which rights of passage over tracks are granted during periods of emergency and disasters, rights to the payment of money including tax refund claims, insurance proceeds and tort claims, chattel paper, documents, instruments, general intangibles, the Debtor's operating certificate from the Interstate Commerce Commission, securities, together with all income therefrom, increases thereunder and proceeds thereof, patents, trademarks, tradenames, copyrights, engineering drawings, service marks, customer lists, books and records, furniture, fixtures, motor vehicles of every kind and description, and all related equipment, parts and accessories with respect thereto (including, without limitation, tires and parts, whether now owned or hereafter acquired), and all substitutions and replacements, rolling stock of every kind and description, locomotives, rail, ties and capital improvements thereon, equipment, maintenance of way equipment, inventory and all other capital assets, raw materials, work in progress, and real property and interests in and rights in, on or over real property, including railbeds, yards and maintenance areas.

IMPORTANT — Read instructions on back before filling out form

This FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.

4. ☐ Filed for record in the real estate records.5. ☒ Debtor is a Transmitting Utility.6. No. of Additional Sheets Presented: 1

1. Debtor(s) (Last Name First) and address(es)

Pioneer Valley Railroad
Company, Inc.
c/o Pinsky Railroad Company,
Inc.
53 Southampton Road
Westfield, MA 01085

2. Secured Party(ies) and address(es)

The First National Bank of
Boston
100 Federal Street
Boston, MA 02110

3. For Filing Officer (Date, Time, Number, and Filing Office)

7. This financing statement covers the following types (or items) of property:

See Exhibit A attached hereto and made a part hereof.

Filed with: MA SOS

☒ Proceeds and
Products of Collateral are also covered.

Whichever is
Applicable
(See Instruction
Number 9)

Pioneer Valley Railroad
Company, Inc.

By: U.P. Silver, Pres
Signature(s) of Debtor (Or Assignor) Title

The First National Bank of Boston

By: Jan F. Higgins, AVP
Signature(s) of Secured Party (Or Assignee) Title

FILING OFFICER COPY-ALPHARETICAL
STANDARD FORM - UNIFORM COMMERCIAL CODE - FORM UCC-1

Rev. Jan. 1980

Exhibit A to Financing Statement

Debtor: Pioneer Valley Railroad Company, Inc.

Secured

Party: The First National Bank of Boston

All properties, assets and rights of the Debtor of every kind and nature, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof, including, without limitation, all goods, accounts, including all accounts receivable, contract rights, all rights of the Debtor under the Acquisition Documents (as defined in a certain Term Loan Agreement dated as of February 21, 1992, among the Debtor, the other Borrowers named therein and the Secured Party), all rights of the Debtor under any agreements with operating railroads pursuant to which rights of passage over tracks are granted during periods of emergency and disasters, rights to the payment of money including tax refund claims, insurance proceeds and tort claims, chattel paper, documents, instruments, general intangibles, the Debtor's operating certificate from the Interstate Commerce Commission, securities, together with all income therefrom, increases thereunder and proceeds thereof, patents, trademarks, tradenames, copyrights, engineering drawings, service marks, customer lists, books and records, furniture, fixtures, motor vehicles of every kind and description, and all related equipment, parts and accessories with respect thereto (including, without limitation, tires and parts, whether now owned or hereafter acquired), and all substitutions and replacements, rolling stock of every kind and description, locomotives, rail, ties and capital improvements thereon, equipment, maintenance of way equipment, inventory and all other capital assets, raw materials, work in progress, and real property and interests in and rights in, on or over real property, including railbeds, yards and maintenance areas.

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This FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.

4. ☐ Filed for record in the real estate records.5. ☒ Debtor is a Transmitting Utility.6. No. of Additional Sheets Presented: 1

1. Debtor(s) (Last Name First) and address(es)

Arkansas Midland Railroad
Company, Inc.
c/o Pinsly Railroad Company,
Inc.
53 Southampton Road
Westfield, MA 01085

2. Secured Party(ies) and address(es)

The First National Bank of
Boston
100 Federal Street
Boston, MA 02110

3. For Filing Officer (Date, Time, Number, and Filing Office)

7. This financing statement covers the following types (or items) of property:

See Exhibit A attached hereto and made a part hereof.

Filed with: Arkansas SOS

☒ Proceeds and
Products of Collateral are also covered.Whichever is
Applicable
(See Instruction
Number 9)Arkansas Midland Railroad
Company, Inc.By: R. S. Silver, Pres.

Signature(s) of Debtor (Or Assignor) Title

The First National Bank of Boston

By: James F. H. [Signature]

Signature(s) of Secured Party (Or Assignee) Title

FILING OFFICER COPY-ALPHABETICAL
STANDARD FORM - UNIFORM COMMERCIAL CODE - FORM UCC-1

Rev. Jan. 1980

Exhibit A to Financing Statement

Debtor: Arkansas Midland Railroad Company, Inc.

Secured

Party: The First National Bank of Boston

All properties, assets and rights of the Debtor of every kind and nature, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof, including, without limitation, all goods, accounts, including all accounts receivable, contract rights, all rights of the Debtor under the Acquisition Documents (as defined in a certain Term Loan Agreement dated as of February 21, 1992, among the Debtor, the other Borrowers named therein and the Secured Party), all rights of the Debtor under any agreements with operating railroads pursuant to which rights of passage over tracks are granted during periods of emergency and disasters, rights to the payment of money including tax refund claims, insurance proceeds and tort claims, chattel paper, documents, instruments, general intangibles, the Debtor's operating certificate from the Interstate Commerce Commission, securities, together with all income therefrom, increases thereunder and proceeds thereof, patents, trademarks, tradenames, copyrights, engineering drawings, service marks, customer lists, books and records, furniture, fixtures, motor vehicles of every kind and description, and all related equipment, parts and accessories with respect thereto (including, without limitation, tires and parts, whether now owned or hereafter acquired), and all substitutions and replacements, rolling stock of every kind and description, locomotives, rail, ties and capital improvements thereon, equipment, maintenance of way equipment, inventory and all other capital assets, raw materials, work in progress, and real property and interests in and rights in, on or over real property, including railbeds, yards and maintenance areas.



IMPORTANT — Read instructions on back before filling out form

This FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.

4. ☐ Filed for record in the real estate records.5. ☒ Debtor is a Transmitting Utility.6. No. of Additional Sheets Presented: 1

1. Debtor(s) (Last Name First) and address(es)

Greenville & Northern
Railway Company
c/o Pinsky Railroad Company,
Inc.
53 Southampton Road
Westfield, MA 01085

2. Secured Party(ies) and address(es)

The First National Bank of
Boston
100 Federal Street
Boston, MA 02110

3. For Filing Officer (Date, Time, Number, and Filing Office)

7. This financing statement covers the following types (or items) of property:

See Exhibit A attached hereto and made a part hereof.

Filed with: SC SOS

☒ Proceeds and
Products of Collateral are also covered.

Whichever is
Applicable
(See Instruction
Number 9)

Greenville & Northern Railway
Company

By: [Signature]
Signature(s) of Debtor (Or Assignor) Title

The First National Bank of Boston

By: [Signature]
Signature(s) of Secured Party (Or Assignee) Title

FILING OFFICER COPY-ALPHABETICAL
STANDARD FORM - UNIFORM COMMERCIAL CODE - FORM UCC-1

Rev. Jan. 1980

Exhibit A to Financing Statement

Debtor: Greenville & Northern Railway Company

Secured

Party: The First National Bank of Boston

All properties, assets and rights of the Debtor of every kind and nature, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof, including, without limitation, all goods, accounts, including all accounts receivable, contract rights, all rights of the Debtor under the Acquisition Documents (as defined in a certain Term Loan Agreement dated as of February 21, 1992, among the Debtor, the other Borrowers named therein and the Secured Party), all rights of the Debtor under any agreements with operating railroads pursuant to which rights of passage over tracks are granted during periods of emergency and disasters, rights to the payment of money including tax refund claims, insurance proceeds and tort claims, chattel paper, documents, instruments, general intangibles, the Debtor's operating certificate from the Interstate Commerce Commission, securities, together with all income therefrom, increases thereunder and proceeds thereof, patents, trademarks, tradenames, copyrights, engineering drawings, service marks, customer lists, books and records, furniture, fixtures, motor vehicles of every kind and description, and all related equipment, parts and accessories with respect thereto (including, without limitation, tires and parts, whether now owned or hereafter acquired), and all substitutions and replacements, rolling stock of every kind and description, locomotives, rail, ties and capital improvements thereon, equipment, maintenance of way equipment, inventory and all other capital assets, raw materials, work in progress, and real property and interests in and rights in, on or over real property, including railbeds, yards and maintenance areas.

IMPORTANT — Read Instructions on back before filling out form

This FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.

4. ☐ Filed for record in the real estate records.5. ☐ Debtor is a Transmitting Utility.6. No. of Additional Sheets Presented: 1

1. Debtor(s) (Last Name First) and address(es)

Railroad Distribution
Services, Inc.
c/o Pinsky Railroad Company,
Inc.
53 Southampton Road
Westfield, MA 01085

2. Secured Party(ies) and address(es)

The First National Bank of
Boston
100 Federal Street
Boston, MA 02110

3. For Filing Officer (Date, Time, Number, and Filing Office)

7. This financing statement covers the following types (or items) of property:

See Exhibit A attached hereto and made a part hereof.

Florida Documentary Stamp Tax is not required.

Filed with: FL SOS

☒ Proceeds and
Products of Collateral are also covered.

Whichever is
Applicable
(See Instruction
Number 9)

Railroad Distribution Services, Inc.

By:

Signature(s) of Debtor (Or Assignor)

Title

The First National Bank of Boston

By:

Signature(s) of Secured Party (Or Assignee)

Title

FILING OFFICER COPY-ALPHABETICAL
STANDARD FORM - UNIFORM COMMERCIAL CODE - FORM UCC-1

Rev. Jan. 1980

Uniform Commercial Code — FINANCING STATEMENT — Form UCC—1

IMPORTANT — Read Instructions on back before filling out form

This FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.

4. <input type="checkbox"/> Filed for record in the real estate records.	5. <input type="checkbox"/> Debtor is a Transmitting Utility.	6. No. of Additional Sheets Presented: <u>1</u>
1. Debtor(s) (Last Name First) and address(es) Railroad Distribution Services, Inc. c/o Pinsky Railroad Company, Inc. 53 Southampton Road Westfield, MA 01085	2. Secured Party(ies) and address(es) The First National Bank of Boston 100 Federal Street Boston, MA 02110	3. For Filing Officer (Date, Time, Number, and Filing Office)
7. This financing statement covers the following types (or items) of property:		

See Exhibit A attached hereto and made a part hereof.

Filed with: MA SOS

☒ Proceeds and
Products of Collateral are also covered.

Whichever is Applicable (See Instruction Number 9)	Railroad Distribution Services, Inc.	The First National Bank of Boston
	By: <u>[Signature]</u> Signature(s) of Debtor (Or Assignor)	By: <u>[Signature]</u> Signature(s) of Secured Party (Or Assignee)
	Title	Title

FILING OFFICER COPY-ALPHABETICAL
STANDARD FORM - UNIFORM COMMERCIAL CODE - FORM UCC-1

Rev. Jan. 1980

**IMPORTANT — Read Instructions on back before filling out form**

This FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.

4. <input type="checkbox"/> Filed for record in the real estate records.	5. <input type="checkbox"/> Debtor is a Transmitting Utility.	6. No. of Additional Sheets Presented: <u>1</u>
1. Debtor(s) (Last Name First) and address(es) Railroad Distribution Services, Inc. c/o Pinsky Railroad Company, Inc. 53 Southampton Road Westfield, MA 01085	2. Secured Party(ies) and address(es) The First National Bank of Boston 100 Federal Street Boston, MA 02110	3. For Filing Officer (Date, Time, Number, and Filing Office)
7. This financing statement covers the following types (or items) of property:		

See Exhibit A attached hereto and made a part hereof.

Filed with: MA, City of Holyoke

☒ Proceeds and
☐ Products of Collateral are also covered.

Whichever is Applicable (See Instruction Number 9)	Railroad Distribution Services, Inc.	The First National Bank of Boston
	By: <u>[Signature]</u> Signature(s) of Debtor (Or Assignor) Title	By: <u>[Signature]</u> Signature(s) of Secured Party (Or Assignee) Title

 FILING OFFICER COPY-ALPHARETICAL
 STANDARD FORM - UNIFORM COMMERCIAL CODE - FORM UCC-1

Rev. Jan. 1980

Exhibit A to Financing Statement

Debtor: Railroad Distribution Services, Inc.

Secured

Party: The First National Bank of Boston

All properties, assets and rights of the Debtor of every kind and nature, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof, including, without limitation, all goods, accounts, including all accounts receivable, contract rights, all rights of the Debtor under the Acquisition Documents (as defined in a certain Term Loan Agreement dated as of February 21, 1992, among the Debtor, the other Borrowers named therein and the Secured Party), all rights of the Debtor under any agreements with operating railroads pursuant to which rights of passage over tracks are granted during periods of emergency and disasters, rights to the payment of money including tax refund claims, insurance proceeds and tort claims, chattel paper, documents, instruments, general intangibles, the Debtor's operating certificate from the Interstate Commerce Commission, securities, together with all income therefrom, increases thereunder and proceeds thereof, patents, trademarks, tradenames, copyrights, engineering drawings, service marks, customer lists, books and records, furniture, fixtures, motor vehicles of every kind and description, and all related equipment, parts and accessories with respect thereto (including, without limitation, tires and parts, whether now owned or hereafter acquired), and all substitutions and replacements, rolling stock of every kind and description, locomotives, rail, ties and capital improvements thereon, equipment, maintenance of way equipment, inventory and all other capital assets, raw materials, work in progress, and real property and interests in and rights in, on or over real property, including railbeds, yards and maintenance areas.

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Exhibit B
to
Security Agreement
Motor Vehicles

PINSLY RAILROAD COMPANY

Florida

Vehicles	Serial #	Title #
1991 Acura	JH4KA7678MC027212	RLSE
1989 BMW	WBAAE9309K8139650	AD118418

FLORIDA CENTRAL RAILROAD

Florida

Vehicles	Serial #	Title #
1985 Ford F250 Truck	1FTEF26Y2FNA64226	41845921
1974 Ford Dump Truck	F60DVU42556	4493883
1981 Chevy Hirail	1GBGC23M1BB133765	44206064
1988 Ford Taurus	1FABP52U1JA128444	45265185
1981 Int'l Boom/Dump Truck	1HTAA185XBHA17812	49717443
1990 Ford Pickup	1FTCR10AXLUC23824	60257636
1991 GMR Sierra Pickup	1GDGK24K5ME531635	61500744

FLORIDA MIDLAND RAILROAD

Florida

Vehicles	Serial #	Title #
1988 Ford Tempo	1FAPP36X6jk183951	46073752
1978 Chevy Hirail	CPL3283319708	45259350

PIONEER VALLEY RAILROAD

Massachusetts

Vehicles	Serial #	Title #
1978 International Dump Truck	DO532HHB18546	QO39184
1978 Ford F-600	F61EVBA587	AC933774

ARKANSAS MIDLAND RAILROAD

Arkansas

Vehicles	Serial #
1983 Chevy C-70 Crane Truck	1GBLD1E2DV102343
1988 Ford F-150 Hirail	1FTEX15Y5JKA30395
1991 Oldsmobile Ciera	1G3AL54N5M6351262
1991 Oldsmobile Ciera	2G3AL54NXM2358726
1988 Mazda B-2000 SE5	JM2UEH

RAILROAD DISTRIBUTION SERVICES

Florida

Vehicles	Serial #
1992 Chevy S10	1GCCS1424N8153480

GREENVILLE & NORTHERN

South Carolina

Vehicles	Serial #
1974 Chevy C65 Boom/Hirail	CCE664V112374
1987 Case Tractor w/Backhoe	17422067

EXHIBIT C

[To be provided]

FORM OF CONFIRMATORY ASSIGNMENT OF CONTRACT

This ASSIGNMENT, dated as of _____, is by
[INSERT NAME OF COMPANY], a _____ corporation
(the "Debtor") in favor of The First National Bank of Boston.

WHEREAS, the Debtor is party to Contract No. _____
dated _____ between the Debtor
and _____ (the "Contract"); and

WHEREAS, the Debtor and the Bank have entered into a
certain Security Agreement, dated as of February 21, 1992
(the "Security Agreement"), pursuant to which the Debtor has
granted to the Bank, a security interest in certain assets
of the Debtor, including all of the Debtor's rights in, to
and under the Contract, to secure the Obligations referred
to in the Security Agreement;

NOW, THEREFORE, the Debtor hereby confirms,
acknowledges and agrees that, pursuant to and subject to the
terms of the Security Agreement, the Debtor hereby assigns,
transfers, pledges and grants to the Bank a security
interest in all of the Debtor's right, title and interest in
and to all monies due or to become due under the Contract.

EXECUTED as of the date first above written.

[NAME OF COMPANY]

By: _____
Title: _____

FORM OF NOTICE OF ASSIGNMENT OF
ACCOUNTS RECEIVABLE AS SECURITY

The First National Bank of Boston

Date:

To: [Contracting Official or Head of
Agency, and Disbursing Official]

Re: Payments to [INSERT NAME OF COMPANY]
Contract Number:
Made by the United States of America
Department:
Division:

For:

Dated:

Ladies and Gentlemen:

PLEASE TAKE NOTICE that monies due or to become due to [INSERT NAME OF COMPANY] (the "Debtor") under the contract described above have been assigned to The First National Bank of Boston as security for certain obligations of the Debtor to the Bank, as described more particularly in a Security Agreement (a true and correct copy of which is attached hereto), dated as of February 21, 1992, as in effect from time to time. This notice is given pursuant to the provisions of the Assignment of Claims Act of 1940, as amended (31 U.S.C. §3727).

Payments due or to become due to the Debtor under the contract described above should continue to be made to the Debtor until you receive written notice from the Bank directing that such payments be made to another party.

Please return to the undersigned (in the enclosed, self-addressed stamped envelope) the enclosed extra copy of this notice with appropriate notations showing the date and hour of receipt and duly signed by the person acknowledging receipt on behalf of the addressee.

Very truly yours,

THE FIRST NATIONAL BANK OF BOSTON

By: _____
Authorized Official
100 Federal Street
Boston, MA 02110

IRREVOCABLY ACKNOWLEDGED AND
AGREED TO:

[NAME OF COMPANY]

By: _____
Title: _____

ACKNOWLEDGMENT OF RECEIPT

Receipt of the above notice and a copy of the Security Agreement described above is hereby acknowledged. These were received at _____ a.m./p.m. on _____, 19____.

Signature

On Behalf of: [Name and Title of
Addressee of Notice]

Schedule 1
to
Security Agreement
Motor Vehicles

PINSLY RAILROAD COMPANY

Vehicles	Serial #	Title #	Location
1991 Acura	JH4KA7678MC027212	RLSE	Westfield, MA
1989 BMW	WBAAE9309K8139650	AD118418	Westfield, MA

FLORIDA CENTRAL RAILROAD

Vehicles	Serial #	Title #	Location
1985 Ford F250 Truck	1FTEF26Y2FNA64226	41845921	Plymouth, FL
1974 Ford Dump Truck	F60DVU42556	4493883	Plymouth, FL
1981 Chevy Hirail	1GBGC23M1BB133765	44206064	Plymouth, FL
1988 Ford Taurus	1FABP52U1JA128444	45265185	Plymouth, FL
1981 Int'l Boom/Dump Truck	1HTAA185XBHA17812	49717443	Plymouth, FL
1990 Ford Pickup	1FTCR10AXLUC23824	60257636	Plymouth, FL
1991 GMR Sierra Pickup	1GDGK24K5ME531635	61500744	Plymouth, FL

FLORIDA MIDLAND RAILROAD

Vehicles	Serial #	Title #	Location
1988 Ford Tempo	1FAPP36X6jk183951	46073752	Plymouth, FL
1978 Chevy Hirail	CPL3283319708	45259350	Plymouth, FL

FLORIDA NORTHERN RAILROAD

Vehicles:

None

PIONEER VALLEY RAILROAD

Vehicles	Serial #	Title #	Location
1978 International Dump Truck	D0532HHB18546	Q039184	Westfield, MA
1978 Ford F-600	F61EVBA587	AC933774	Westfield, MA

ARKANSAS MIDLAND RAILROAD

Vehicles	Serial #	Location
1983 Chevy C-70 Crane Truck	1GBLD1E2DV102343	Jones Mill, AR
1988 Ford F-150 Hirail	1FTEX15Y5JKA30395	Jones Mill, AR
1991 Oldsmobile Ciera	1G3AL54N5M6351262	Jones Mill, AR
1991 Oldsmobile Ciera	2G3AL54NXM2358726	Jones Mill, AR
1988 Mazda B-2000 SE5	JM2UEH	Jones Mill, AR

RAILROAD DISTRIBUTION SERVICES/MASSACHUSETTS

Vehicles - None

RAILROAD DISTRIBUTION SERVICES/FLORIDA

Vehicles	Serial #	Location
1992 Chevy S10	1GCCS1424N8153480	Bartow, FL

GREENVILLE & NORTHERN

Vehicles	Serial #	Location
1974 Chevy C65 Boom/Hirail	CCE664V112374	Greenville, SC
1987 Case Tractor w/Backhoe	17422067	Greenville, SC

Schedule 2
to
Security Agreement

Locomotives; Rolling Stock

Florida Central Railroad

1.	1974 CF7 Unit #	2494
2.	1974 GP7	55
3.	1974 GP7	57
4.	1972 CF7	2503
5.	1971 CF7	43
6.	1974 CF7	2474
7.	1972 CF7	2637

Florida Midland Railroad

8.	1949 Alco Unit #	103
9.	1953 Alco	107

Florida Northern Railroad

10.	1974 CF7 Unit #	53
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Greenville & Northern Railway

11.	1951 GE Unit #	75
12.	1942 SW1	1

Pioneer Valley Railroad

13.	1973 CF7 Unit #	2558
14.	1972 CF7	2565
15.	1972 CF7	2597
16.	1970 CF7	2647

Arkansas Midland Railroad

17.	1974 GP8 Unit #	7700
18.	1974 GP8	7703
19.	1974 GP8	7704
20.	1974 GP8	7707
21.	1977 GP8	7722
22.	1977 GP8	7726
23.	1977 GP8	7728
24.	1973 GP8	7850
25.	1978 GP8	7918

Pinsly Railroad Company

26.	Private Business Car	
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Schedule 3
to
Security Agreement
Maintenance of Way Equipment

PINSLY RAILROAD COMPANY

None

FLORIDA CENTRAL RAILROAD

Equipment	Serial #	Location
1976 Case Backhoe	2360068	Plymouth, FL
1986 Welder	IDDAW1657FA007	Plymouth, FL
1983 Case Backhoe 580D	9084043	Plymouth, FL
1976 Tractor 235MF & Pittsburgh Mower	223160	Plymouth, FL
Generator Model #EB65005XA	2002566	Plymouth, FL
1991 12 Ton Econoline Trailer	1E9DPK428M1094021	Plymouth, FL
Weed Sprayer	1000249	Plymouth, FL
Brush Cutter		Plymouth, FL
Air Compressor	165968	Plymouth, FL
Jackson Tamper		Plymouth, FL
Tie Crane		Plymouth, FL
Rail Drill		Plymouth, FL
Rail Saw		Plymouth, FL

FLORIDA MIDLAND RAILROAD

None

FLORIDA NORTHERN RAILROAD

None

PIONEER VALLEY RAILROAD

Equipment	Serial #	Title #	Location
1978 Case Backhoe	8975079	V678252	Westfield, MA
1978 Canron Eas Switch Tamper	1076068		Westfield, MA
1983 White Forklift	13V01990		Westfield, MA
Brush Cutter/Tie Handler			
Unit AT-521 Serial	3D-128071	93235	Westfield, MA
Track Wrench S/N 28954			Westfield, MA

ARKANSAS MIDLAND RAILROAD

None

GREENVILLE & NORTHERN RAILWAY

Equipment	Serial #	Location
Jackson Tamper	110920	Greenville, SC
Rail Drill	504	Greenville, SC
Lincoln Welder	8712-704	Greenville, SC
Hobart Welder Portable	IND 7-29184	Greenville, SC
Air Compressor	218501	Greenville, SC

Schedule 4
to
Security Agreement
Real Property

PINSLY RAILROAD COMPANY

Depot Square, Barre, VT
53 Southampton Road, Westfield, MA

FLORIDA CENTRAL RAILROAD

3001 Orange Avenue, Plymouth County, Plymouth, FL
Railroad Bed, Lake County, FL
Railroad Bed, Orange County, FL

FLORIDA MIDLAND RAILROAD

Railroad Beds, Sumter, Lake and Polk Counties, FL

FLORIDA NORTHERN RAILROAD

Railroad Bed, Marion County, FL

PIONEER VALLEY RAILROAD

1 Depot Street, Westfield, MA
Railroad Beds, Hampden and Hampshire Counties, MA

ARKANSAS MIDLAND RAILROAD

Jones Mill Industrial Park
Jones Mill, AR

Railroad Beds, Lonoke, Pulaski, Phillips, Hot Spring,
Garland Clark, Pike and Montgomery Counties, AR

RAILROAD DISTRIBUTION SERVICES/MASSACHUSETTS

724-730 Main Street, Hampden County, Holyoke, MA

RAILROAD DISTRIBUTION SERVICES/FLORIDA

Hwy. 17 North, Bldg. 405
Bartow Municipal Airport
Bartow, Bartow County, FL

GREENVILLE & NORTHERN RAILWAY

222 Cox Street, Greenville County, Greenville, SC
4003 Old Buncombe Road, Greenville County, Greenville, SC
4019 Old Buncombe Road, Greenville County, Greenville, SC
4021 Old Buncombe Road, Greenville County, Greenville, SC
13 Sulpher Springs Road, Greenville County, Greenville, SC

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Schedule 5
to
Security Agreement
Intellectual Property

PINSLY RAILROAD COMPANY, INC.

United States Patent and Trademark Office
Reg. No. 1,591,336
Registered April 10, 1990

Mark consists of the stylized letter "P" with a railroad track design imposed upon it.

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Schedule 6
to
Security Agreement
Collateral Locations

PINSLY RAILROAD COMPANY

Depot Square, Barre, VT
53 Southampton Road, Westfield, MA

FLORIDA CENTRAL RAILROAD
FLORIDA MIDLAND RAILROAD
FLORIDA NORTHERN RAILROAD

3001 Orange Avenue, Plymouth County, Plymouth, FL

PIONEER VALLEY RAILROAD

1 Depot Street, Westfield, MA

ARKANSAS MIDLAND RAILROAD

Jones Mill Industrial Park, Jones Mill, AR

RAILROAD DISTRIBUTION SERVICES

724-730 Main Street, Hampden County, Holyoke, MA

Hwy 17 North, Bldg 405
Bartow Municipal Airport
Bartow, Bartow County, FL

GREENVILLE & NORTHERN RAILWAY

222 Cox Street, Greenville County, Greenville, SC
4003 Old Buncombe Road, Greenville County, Greenville, SC
4019 Old Buncombe Road, Greenville County, Greenville, SC
4021 Old Buncombe Road, Greenville County, Greenville, SC
13 Sulphur Springs Road, Greenville County, Greenville, SC